

FACTS COMMON TO ALL COUNTS

1. Respondent Moly Shield International, Inc. is an Illinois corporation with a last known address of 980 N. Michigan Ave., Suite 1400, Chicago, IL 60611.
2. Moly Shield has represented to the public that it is in the business of selling lubrication and chemical products for automotive, commercial, industrial, aviation, and marine products.
3. Respondent John P. Mancini Jr. (hereinafter "Mancini" and together with other Respondents "Respondents") at all relevant times was Chief Executive Officer and Chairman of the Board of Moly Shield.
4. Respondent Nick Avgerinos at all relevant times was President of Moly Shield.
5. Thomas Mavridis (hereinafter "Mavridis" and together with other Respondents "Respondents") at all relevant times was Executive Vice President of Moly Shield.
6. Investor at all relevant times was a New York resident.

Misuse of Investment Funds

7. Respondents, in September of 2005, solicited Investor to purchase 95,000 shares of common stock in Moly Shield in the amount of \$85,000.
8. In September of 2005, Respondents sold 95,000 shares of common stock in Moly Shield in the amount of \$85,000 to Investor.
9. Respondents Nick Avgerinos and Thomas Mavridis composed the stock certificates identifying Investor's ownership interest in Illinois.
10. Respondents mailed Investor his stock certificate identifying the 95,000 shares he now owned from Moly Shield's headquarters in Chicago, Illinois.
11. Investor, as a result of the purchase of the 95,000 shares, attained an ownership interest in Moly Shield.
12. Both Thomas Mavridis and Nick Avgerinos signed the Stock Certificates in Illinois.
13. Via a Business Plan and Offering Memorandum issued to Investor, Respondents represented to Investor that the \$85,000 received by Respondents would be used to market Moly Shield's lubrication products.
14. Respondents' Moly Shield bank account reflected that at least \$50,000 of Investor's \$85,000 stock purchase was spent on personal expenses unrelated to the business of

Moly Shield---specifically, to fund an unrelated business belonging to Respondent John Mancini and his wife, Loan Martin.

15. Respondent Avgerinos failed to take measures to ensure that this misuse of funds did not occur.

Failure to Disclose Material Information to Investors
In Connection With the Sale of Securities

16. At no time did Respondents ever disclose to Investor the risks involved in purchasing the shares of Moly Shield.
17. Specifically, Respondents did not disclose at the time of the sale that:
 - a. On August 3, 1995, John P. Mancini Jr. was temporarily prohibited by the Illinois Securities Department from offering or selling securities within the State of Illinois.
 - b. The basis for temporarily prohibiting John Mancini Jr. from selling securities in the state of Illinois included Mancini's failure on two occasions to respond to the Department's requests for information made pursuant to Section 11.C of the Act.
 - c. On October 10, 1995, John P. Mancini Jr. was permanently prohibited by the Illinois Securities Department from offering or selling securities within the State of Illinois.
 - d. The basis for prohibiting John Mancini Jr. from selling securities in the state of Illinois included Mancini's failure on two occasions to respond to the Department's requests for information made pursuant to Section 11.C of the Act.
 - e. As of September 20, 2005, the date of the sale of the 85,000 shares issued by Moly Shield, the prohibition was still in effect.
 - f. In 1999, Thomas Mavridis was convicted in federal court in Wisconsin of assisting in the escape of a convicted federal felon.
18. John Mancini Jr., as Chief Executive Officer and Chairman of the Board of Moly Shield, is responsible for establishing corporate objectives, strategies and policies for Moly Shield.
19. Thomas Mavridis, as Executive Vice President of Moly Shield, is responsible for assisting in establishing corporate objectives, strategies and policies for Moly Shield.
20. Respondent Avgerinos failed to take measures to determine the honesty and integrity of the other principals of Moly Shield, including the fact that Respondent Mancini was previously prohibited from selling securities within the State of Illinois, and that

Respondent Mavridis was convicted in federal court of assisting in the escape of a convicted felon.

21. The above-mentioned omissions of fact address both the competency and integrity of the Respondents, as well as the Respondents' inability to comply with existing Securities Regulations.

VIOLATIONS OF THE ILLINOIS SECURITIES ACT

1. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in conjunction with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
2. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
3. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to employ any scheme, device or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly.

WHEREAS, by means of the Stipulation, Respondents Nick Avgerinos and Moly Shield, Inc. acknowledge that the following shall be adopted as the Secretary of State's Conclusion of Law:

1. By virtue of the foregoing, Respondent violated Sections 12.F, 12.G, and 12.I of the Act.
2. By virtue of the foregoing violations of sub-sections Section 12.F, 12.G, and 12.I of the Act, Respondents Nick Avgerinos and Moly Shield International, Inc. are permanently prohibited from:
 - a) offering or selling any securities in or from the State of Illinois pursuant to Section 11.E(2) of the Act.
 - b) engaging in the business of offering investment advice in or from the State of Illinois.

WHEREAS, by means of the Stipulation, Respondents Nick Avgerinos and Moly Shield Inc. have acknowledged and agreed that they shall be permanently prohibited from offering or selling any securities either from the State of Illinois or to Illinois residents.

WHEREAS, by means of the Stipulation, Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from securing any position of management or control (either directly or indirectly) of any entity engaged in the offer or sale of securities either from the State of Illinois or to Illinois residents.

WHEREAS, by means of the Stipulation, Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from securing any position of employment, management, or control (either directly or indirectly) of any entity engaged in the business of a Broker-Dealer either from the State of Illinois or providing brokerage services to Illinois residents.

WHEREAS, by means of the Stipulation, Respondents Nick Avgerinos and Moly Shield Inc. have acknowledged and agreed that they shall be permanently prohibited from engaging in the business of offering investment advice either from the State of Illinois or to Illinois residents.

WHEREAS, by means of the Stipulation, Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from securing any position of employment, management, or control (either directly or indirectly) of any entity engaged in the business of an Investment Adviser either from the State of Illinois or engaged in providing investment advice to Illinois residents.

WHEREAS, by means of the Stipulation, Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from securing any position of management, or control, including but not limited to, any officer, director, partner, agent, consultant, employee, or person performing similar functions, of any issuer engaged in the offer of securities either from the State of Illinois or to Illinois residents.

WHEREAS, by means of the Stipulation, Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from issuing, engaging in the business of selling, negotiating for the sale of, or otherwise in any way dealing or participating, with respect to the public or to other persons, offering, selling, arranging for the sale, employing, directly or indirectly, any device, scheme, or artifice in connection with the offer, purchase, or sale of any security, aiding and abetting any other persons or business engaged in the purchase or sale of a security, or otherwise dealing or participating with any securities either from the State of Illinois or to Illinois residents.

WHEREAS, by means of the Stipulation, the Notice of Hearing dated November 25, 2009, as it relates to Respondents Nick Avgerinos and Moly Shield, Inc. will be dismissed without further proceedings. The Department will retain the right to vacate this Order should any provision herein be violated.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from offering or selling securities either from the State of Illinois or to Illinois residents.

2. Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from securing any position of management or control (either directly or indirectly) of any entity engaged in the offer or sale of securities either from the State of Illinois or to Illinois residents.
3. Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from securing any position of employment, management, or control (either directly or indirectly) of any entity engaged in the business of a Broker-Dealer either from the State of Illinois or providing brokerage services to Illinois residents.
4. Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from engaging in the business of offering investment advice from the State of Illinois or to Illinois residents.
5. Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from securing any position of employment, management, or control (either directly or indirectly) of any entity engaged in the business of an Investment Adviser either from the State of Illinois or engaged in providing investment advice to Illinois residents.
6. Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from securing any position of management, or control, including but not limited to, any officer, director, partner, agent, consultant, employee, or person performing similar functions, of any issuer engaged in the offer of securities either from the State of Illinois or to Illinois residents.
7. Respondents Nick Avgerinos and Moly Shield Inc. are permanently prohibited from issuing, engaging in the business of selling, negotiating for the sale of, or otherwise in any way dealing or participating, with respect to the public or to other persons, offering, selling, arranging for the sale, employing, directly or indirectly, any device, scheme, or artifice in connection with the offer, purchase, or sale of any security, aiding and abetting any other persons or business engaged in the purchase or sale of a security, or otherwise dealing or participating with any securities either from the State of Illinois or to Illinois residents.

8. The Notice of Hearing dated November 25, 2009, as it relates to Respondents Nick Avgerinos and Moly Shield, Inc. will be dismissed without further proceedings. The Department will retain the right to vacate this Order should any provision herein be violated.



JESSE WHITE
Secretary of State
State of Illinois

Dated: October 14, 2010

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